REMARKS/ARGUMENTS

Applicant's attorney thanks Examiner Farid Homayoumehr for the telephonic interview on June 13, 2006.

Claims 1, 3-23, and 25-37 are pending. Claims 1, 4, 5, 15-17, 22, 25, and 32-34 are amended and claims 2 and 24 are canceled.

Claims 1, 15-17 and 22 are rejected under 35 U.S.C 112, second paragraph, as being indefinite, in case of claims 1 and 22, because of the term "authenticating the user with the user transaction data record assigned to the user utilizing the stored private key" in claims 1 and 22. In view of the amendments to claims 1, 22, and the amendments to claims 15, 16 and 17, it is respectfully requested that the above rejections be withdrawn.

Claims 1-37 are rejected under 35 U.S.C 102(e) as being anticipated by Whitehouse (U.S. 6,005,945). Applicant submit that all of the pending claims are patentable over the cited references, and reconsideration and allowance of the pending claims are respectfully requested.

Amended independent claim 1 includes, among other limitations "a private key, and a public key assigned to a user <u>for authenticating a user transaction data record assigned to the user</u>," "storing the private key and the public key in the user transaction data record assigned to the user," and "a <u>cryptographic device</u> . . . <u>for signing the data in</u> the user transaction data record assigned to the user utilizing the stored private key in the database, wherein the private key assigned to the user is not stored in the client system." Whitehouse does not disclose the above limitations.

First, Whitehouse does not teach "a private key assigned to a user for authenticating a user transaction data record assigned to the user." The system of Whitehouse does not have any private key for authenticating the PSD (user transaction data record). In fact, Whitehouse does not authenticate the PSD, rather it authenticates the user and NOT the PSD. (Col. 12, lines, lines 57-64).

Second, Whitehouse does not teach "storing the private key in the user transaction data record assigned to the user." Rather, in the system of Whitehouse as shown by Fig. 4, the user encryption keys (private/public key pair) 124 are stored in the customer PC 104 and the central computer encryption keys 164 are stored in the central computer memory 154, away from the Transaction Database 174 that stores the PSDs (although, they are all stored in the central

computer's memory 154). (See, Fig. 4 and col. 8, lines 59-62). Therefore, the private keys of Whitehouse (used for a different reason, see the first argument) are NOT stored in the PSDs.

Third, Whitehouse does not teach "a cryptographic device . . . for signing the data in the user transaction data record assigned to the user utilizing the stored private key." Rather, Whitehouse's central computer validates a request by a user by validating the digital signature in the request (and signed by user's private key at user's PC) and validating the meter or account ID and account password. (Col. 12, lines 37-42 and 57-62). This process is for validating the request message from the user. Next, the indicium is generated using an appropriate private key. (Col. 13, lines 16-19 and 40-45). Additionally, Whitehouse uses the meter or account ID and account password in the request message form the user to identify the user's PSD. (Col. 12, lines 57-62). "If the meter/account ID does not correspond to an active postage dispensing account, or if the password is incorrect, an error message is returned to the request sender." Therefore, there is no "signing the data in the user transaction data record assigned to the user utilizing the stored private key" in Whitehouse.

Fourth, Whitehouse does not teach "wherein the private key assigned to the user is not stored in the client system." Although, Whitehouse claims that his system removes "the need for specialized secure computational equipment at end user sites" (see abstract), it specifically discloses that the Customer PC 104 keeps the user public/private keys locally "needed to send and receive messages from the secure central computer 102." (Col. 8, lines 9-10).

For example, "the end user encryption procedures 162 include both public/private key encryption/decryption and symmetric key encryption/decryption capabilities. However, the public/private key encryption/decryption capability of the end user encryption procedures 162 is used only for establishing and changing the session key associated with the end user computer's 'meter' account." (Col. 9, lines 32-39) and not for "authentication a user transaction data record assigned to the user," as required by the amended independent claim 1.

As a result, for at least the above **four reasons**, amended independent claim 1 is not anticipated by Whitehouse and is patentable over the cited references. Amended independent claim 22 includes similar limitations and therefore is not anticipated by Whitehouse either.

In short, the independent claims 1 and 22 define a novel and non-obvious invention over the cited references. The remaining dependent claims 3-21 23, and 25-37 are dependent from claims 1 and 22, respectively and therefore include all the limitations of their respective independent claims and additional limitations therein. Accordingly, these claims are also

allowable over the cited references, as being dependent from allowable independent claims and for the additional limitations they include therein.

For example, **dependent claim 31** includes the additional limitations of "storing information about a number of last transactions in a respective internal register of each of the one or more cryptographic devices," "storing a table including the information about a last transaction in the database," "comparing the information saved in the respective device with the respective information saved in the database," and "loading a new transaction data if the respective information stored in the device compares with the respective information stored in the database." Again, Whitehouse does not disclose the above limitations.

Applicants respectfully disagree with the statement in the Office action that column 9, lines 12 to 31 of Whitehouse discloses "storing information about a number of last transactions in a respective internal register of each of the one or more cryptographic devices," and "storing a table including the information about a last transaction in the database." (Office action, page 13, paragraph [9.30]). The above cited text of Whitehouse describes an Address CD-ROM, and the customer account information. Applicants fail to see any description disclosing the above limitations in that cited passage.

Additionally, Applicants respectfully disagree with the statement in the Office action that column 20, line 52 to column 23, line 19 of Whitehouse discloses "comparing the information saved in the respective device with the respective information saved in the database," and "loading a new transaction data if the respective information stored in the device compares with the respective information stored in the database." (Office action, page 14, continuation of paragraph [9.30]). Applicants fail to see any description about "comparing information" or "loading a new transaction data if the respective information stored in the device compares with the respective information stored in the database" in the above cited text.

Accordingly, dependent claim 31 is also patentable over Whitehouse. **Dependent claim** 21 includes similar limitations and therefore is not anticipated by Whitehouse either.

In view of the foregoing remarks and amendments, it is respectfully submitted that this application is now in condition for allowance, and accordingly, reconsideration and allowance are respectfully requested.

Respectfully submitted,

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